

COMPANY PROFILE

BALCHEM CORPORATION | BY TAYLOR DOWD

FEEDING THE FUTURE: HOW BALCHEM IS REVOLUTIONIZING THE FOOD SYSTEM



Martin L. Reid, Chief Supply Chain Officer, and Renee McComb, Director, Corporate Human Resources.

INTRODUCTION

In the ever-changing world of manufacturing, technological advancements and innovative solutions are driving the sector forward. One global health and nutrition company that stands at the forefront of this progress is Balchem Corporation (Balchem). Headquartered in Montvale, NJ, and with manufacturing and R&D facilities in Orange County, Balchem provides solutions that keep your loaves of bread fresh as well as solutions that prevent disease in the crops that end up on your dinner plate.

With a strong focus on cutting-edge technologies and a commitment to improving various markets, Balchem has established itself as a key player in making the world a healthier place. Martin L. Reid, Chief Supply Chain Officer, and Renee McComb, Director, Corporate Human Resources at Balchem, speak on the company's commitment to research and development, product markets and solutions, and the company culture.

Balchem, founded in 1967, is a global leader in the development, manufacture, and marketing of nutrition and health products. Balchem's impressive holdings include 21 manufacturing sites, seven technology centers, and seven regional offices. Balchem's sites are spread across the world, which vary in size — ranging from as few as 10 employees to as many as 200, while the company totals approximately 1,300 employees. In 2022, Balchem made \$942 million in revenue.

Its portfolio includes solutions for human and animal nutrition, as well as various industrial applications. Human nutrition and health, which entails nutritional supplements, food and beverages, and infant and toddler formula, accounts for 56% of Balchem's sales and portfolio.

Balchem develops choline (an essential nutrient), vitamin K2, and chelated minerals. The company's technologies are used to create ingredients, vitamins, and products for clients in the bakery, beverage, cereals, confectionery, dairy, dietary supplements, meats, and snacks markets. Animal nutrition and health, comprising dairy, poultry, swine, companion animals, and aquaculture, accounts for about 28%. This sector focuses on nutritional solutions, which include choline production, nutrient encapsulation, chelated minerals, and functional ingredients. Specialty products, which focus on various industrial applications, like medical device sterilization, nut and spice fumigation, and plant nutrition, make up 14% of sales. Under the Specialty Products umbrella, Balchem's Plant Nutrition business unit offers highly bioavailable foliar-applied chelated minerals and specialty micronutrients, known as Metalosate®, to the agricultural market.

BALCHEM'S TECHNOLOGY

One of Balchem's standout achievements lies in its mastery of microencapsulation technology. This process involves creating tiny particles that can encapsulate active ingredients, protecting them from external factors and ensuring controlled release.

Microencapsulation offers improved efficacy and enhanced product performance. "That's really the foundation of Balchem — that microencapsulation technology," says McComb. "It serves many purposes, but a few areas it can help with are taste masking, shelf-life preservation, and controlling the molding process in breads."

Balchem's Albion® Minerals brand improves mineral utility and enhances bioavailability; the VitaCholine® brand offers the health advantages of high-quality choline. Elevating nutrient delivery, the VitaShure® line of microencapsulated ingredients amplifies nutrient potency, prolongs shelf-life, and enhances flavor. Balchem serves the food, supplement, and pharmaceutical markets, with customers who have household names.

"Depending on our clients' needs, we can offer many different solutions based on our microencapsulation and other technologies," says McComb.

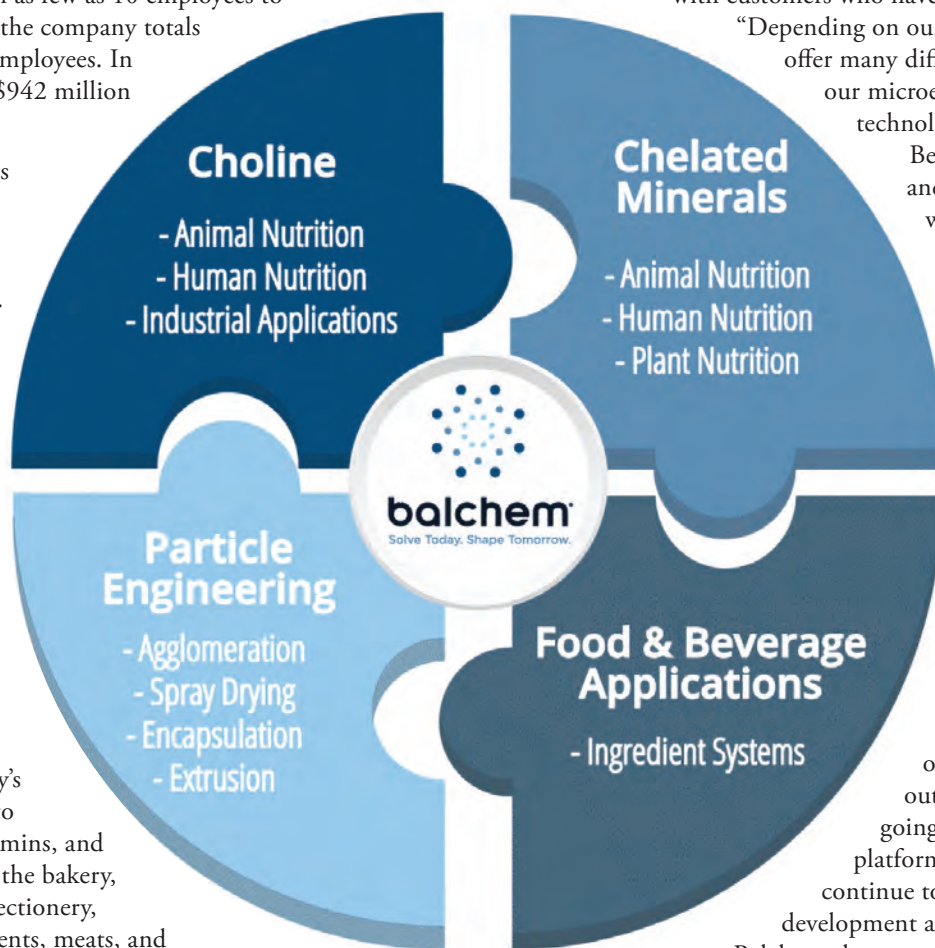
Before Balchem's products and ingredients are shared with clients or reach the shelves of stores across the country, there are countless hours put into conducting research, development, and testing. "There's a significant amount of R&D that goes into what we do. Our head of R&D, Mike Sestrick, and his team are looking at not just maintaining the things that put us on the map but putting out new technology that's going to help build on the platform of our products and continue to help with new product development and sales," says Reid.

Balchem also partners with universities to perform studies on emerging technologies and products. "We're really big on research to try to make sure that we're staying current and can come up with the next best thing to offer to our customers," says Reid. "We have done so many studies and so much work internally to understand our products, and we want to make sure people are aware of the nutritional value of our products."

McComb adds that Balchem is committed to fully standing behind its products and research.

THE IMPACT OF A LEADER

Originally from Jamaica, Reid grew up in the Bronx, and has lived on the east coast ever since. He studied chemical engineering at Rensselaer Polytechnic Institute before earning an MBA from Eastern University. Reid began an internship with Procter & Gamble in 1988 before being recruited as a chemical engineer the



following year. Since then, Reid has earned 35+ years of experience in manufacturing operations in a supply chain. He holds an impressive resume, with experience at some of the most iconic brands in the world, such as Godiva Chocolatier, Estée Lauder, Campbell Soup Company, and Covidien (now Medtronic).

Reid has carved a distinguished path in the realms of consumer goods and healthcare. When Reid learned about the open role at Balchem, which largely involves processes like chemical processing, food manufacturing, and packaging, he knew he had found an excellent fit. He began his Chief Supply Chain Officer role in February 2021.

Since starting for Balchem, Reid has navigated changes across the industry, from the COVID-19 pandemic to The Great Resignation and supply chain volatility. He credits his team for their attitude and ability to persevere. “At Balchem, it’s all about collaboration, understanding what we need to do to support each other, how we grow, how we manage our people, and support our people for the development, retention, and growth,” says Reid.

Planning and anticipating potential market changes is a big part of the equation at Balchem, Reid explains. “You need an



Innovating & collaborating together.

operating philosophy or strategy because you can’t have an answer for everything all the time. We have a strategic plan that takes into consideration what must happen in order to drive employee safety, deliver quality products while managing our cost and service to our customers,” he says. “Ultimately, you have to trust your people, and trust that they’re going to make good decisions, do what’s right, and collaborate.”



Slate Hill Aerial photo - Balchem's original manufacturing facility which manufactures microencapsulated ingredients for the food industry that are mainly used in Bakery, Confectionery, and Meat applications to extend shelf life, control food ingredient interaction within its environment, and mask unwanted taste and flavor

During and in the aftermath of COVID, Balchem remained steady from a supply chain standpoint, and the growth of some areas in the company outweighed a temporary slowdown of others. For example, Human Nutrition Products saw significant growth, which helped prevent other areas of the company from down trending. “[COVID] was really just grinding it out,” Reid says. He explains the lessons from the pandemic have helped the team make decisions in the aftermath. Demand skyrocketed from normal quantities, and Balchem conducted analyses to determine trends, understand how to manage raw materials, handle labor, manufacture products in a timely manner, and determine which changes are and are not sustainable. “We had to be agile and ready to think on our feet and pivot,” Reid says. “Post-COVID, you leverage these things to optimize your costs, supply, and inventory, and really know your own supply chain. Now that things are stabilizing, we’re ready to supply and support our customers.”



Balchem develops concepts that use realistic costs for ingredients and processing, including the ability to test for commercial feasibility.

THE CULTURAL FIT

Balchem has cultivated a unique workplace environment that empowers its workforce to push boundaries, explore new territories, and innovate. The team abides by five core values, the foundation of Balchem’s people and products: Always doing the right thing; thinking big and acting small; collaborating and growing together; playing to win; staying focused on the customer. This culture is more than a mere ethos — it is an undercurrent that inspires Balchem’s team each day. Reid and McComb agree that finding people who emulate these values is crucial to upholding Balchem’s success.

McComb emphasizes that these values are a significant part of the hiring process. “I think the right culture fit is important because we may have a candidate who looks great on paper and has all the right skill set, but through the interview process we may determine they are not going to fit well into our culture,” she says. “We truly believe in a culture with dignity and respect. It’s all on how we communicate, treat one another and ensure we are always doing the right thing, our first core value.”

Reid looks for specific traits during the interview process, which he feels serve as an important gateway to what a candidate’s future at Balchem will hold. McComb adds that the company looks for candidates whose traits can develop and grow on the job. “I think the people who will develop well here at Balchem are people who are driven and passionate, have the willingness to do what it takes to get a job done safely and ethically,” she says. “That person also needs to be accustomed to wearing multiple hats, because we still run lean as an organization.”

Team mentality is paramount at the company. “We want people who are going to work as a team, and those who understand that it’s not really about them. It’s about what we collectively have to do,” Reid says. Balchem’s culture, however, is one of inclusion and diversity. “The cultural fit goes both ways, though. I think where companies fail sometimes is they will either dismiss an employee or a potential employee because they don’t ‘fit the culture.’ We

want people who are not just identical to everyone else — we want diversity of thought and diversity of background and experience.”

Balchem shows further commitment to its team by awarding annual scholarships to the children of employees, called the Balchem Sons and Daughters Scholarship Program. Since the program’s inception in 2005, it has provided \$178k in scholarship funds.

BUILDING BETTER

Despite competitors with strong presences in other regions, Balchem is a force in North America. Balchem distributes 77% of its products to North America, with a distribution rate of 15% to Europe and 8% to other areas (Latin America, Southeast Asia, etc.). “As our company grows, we need to make sure we understand how to increase distribution outside of North America and Europe so we can grow those other areas,” Reid says. “We want to better understand our supply chain network.”

In 2021, like many other firms, Balchem lost many of its employees. “At the time, I had been with the company for 15 years, and in my experience, I had never seen so many white-collar employees leave the organization,” says McComb. We definitely experienced the effects of The Great Resignation firsthand.” Because innovation and growth are at the forefront of Balchem’s goals, the company is growing and seeking exceptional talent to upskill its workforce. “Keeping and retaining talent is something that looks different post-COVID,” Reid adds. “If we want to grow, we need to have the right talent.”

Montvale serves as an ideal headquarters location because of its proximity to NYC and closeness to larger industries, as well as its talent pool. Balchem recently partnered with LinkedIn Learning to build out training plans for individuals, while Reid is rolling out leadership training to managers to help drive consistency and development. “From a retention standpoint, we are committed to the growth and development of our employees,” McComb says.

Communication is key, and an area that Reid has seen improve significantly over the years. “Our teams have done a great job in being able to communicate and understand one another and how each department function plays a role in our overall success,” he says. “Bringing in new leadership over these last several years has really helped foster that teamwork and collaboration, and it’s just made us a more impactful company for our clients and our employees as well.”



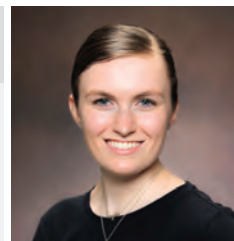
Martin L. Reid and Renee McComb collaborate.

On the backend of the company’s work is a sustainability commitment, which highlights efforts surrounding three pillars: People, Planet, and Profit. The company is committed to reducing its greenhouse gas emissions and global water use by 25% each by 2030. Balchem is a member of United Nations Global Impact, supporting its 10 principles on human rights, labor, environment, and anti-corruption. *Newsweek* Magazine named Balchem one of **America’s Most Responsible Companies** in 2021, 2022, and 2023.

WHAT’S TO COME

Looking ahead, Balchem will continue to work on product innovation and leveraging its brand and social media presence. It remains focused on organic growth as well as pursuing acquisitions. As the company grows and evolves, Reid emphasizes keeping people at the forefront. “I could not do what I’m doing without having strong leaders surrounding me,” he says. “Each department function plays a role in our overall success, and we’re all here for the same common goal. We will continue to foster teamwork and collaboration to make us a more impactful company not just for our customers, but for our employees too.”

Taylor Dowd is the Communications and Marketing Coordinator at the Council of Industry.



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